

May 30, 1996

G. H. MOULTON Key Account Manager

6600 Jorioho Turnpike, Sulto 207 Commack, NY 11725 516-499-0254 Fax 516-499-0572 Voice Mail 800-757-8255 Ext. 46958

1610 ROU To:

For All Managers & Reps With Country Convenience

(1623, 1636)

Subject: Country Convenience - Summer Activity

(ID# 2946 00 00)

As information, RJR Share of Market in Country Convenience locations has increased 1.6% during 1st Quarter 1996, compared to the 4th Quarter 1995. The majority of RJR increase in both Full Price and Savings brands comes from our two major competitors.

During the summer, Country Convenience locations will be participating in Phillip Morris' summer promotions. With this in mind, please ensure you are matching any competitive activities at store level during the upcoming summer months with our updated price gap and ceiling strategies. This is very important

Please continue to follow company strategies concerning any buydowns. Remember all buydowns should be with coupons only.

If you have any questions concerning this chain, please voice mail me at 60437.

Thank you for your help with Country Convenience.

Sincerely,

Jim

Jim Mallardi

JPM/pk

cc: 1210 ROU

51853 1458

"We work for smokers."